

Office of the
Legislative Fiscal Analyst

FY 2005 Budget Recommendations

Joint Appropriations Subcommittee for
Executive Offices, Criminal Justice and Legislature

Jail Contracting

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1.0 Jail Contracting

Summary

Jail Contracting is a tool used by the Department of Corrections to manage their inmate population and their budget. With Jail Contracting dollars, the Department houses state inmates at local jails rather than in state-owned facilities. In this way, Jail Contracting helps the state reduce its own facilities costs, and helps local governments fill excess capacity in local jails.

	Analyst FY 2005 Base	Analyst FY 2005 Changes	Analyst FY 2005 Total
Financing			
General Fund	18,086,200		18,086,200
Beginning Nonlapsing	160,000		160,000
Closing Nonlapsing	(160,000)		(160,000)
Total	<u>\$18,086,200</u>	<u>\$0</u>	<u>\$18,086,200</u>
Programs			
Jail Contracting	18,086,200		18,086,200
Total	<u>\$18,086,200</u>	<u>\$0</u>	<u>\$18,086,200</u>

2.0 Issues: Jail Contracting

2.1 Core Rate Increase

The Department of Corrections and local sheriffs have negotiated a new core rate for contracting and reimbursement of \$45.24 per inmate day. The incremental cost of this 6.7% rate increase is \$1.2 million per year for 1,128 contract beds, plus 40 beds Corrections currently utilizes for “halfway out” and “halfway back” offenders. If the Legislature approves a core rate increase, the Analyst recommends adding funds for Jail Contracting to the Subcommittee’s priorities list.

General Fund (tentative)\$1,244,900

3.0 Program: Jail Contracting

Recommendation

The Analyst recommends \$18,086,200 for Jail Contracting in FY 2005. This amount does not include funding for a core rate increase, discussed below.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
General Fund	18,086,200	18,086,200	18,086,200	
Beginning Nonlapsing		160,000	160,000	
Closing Nonlapsing	(160,000)	(160,000)	(160,000)	
Total	\$17,926,200	\$18,086,200	\$18,086,200	\$0
Expenditures				
Current Expense	33,100	31,000	31,000	
Other Charges/Pass Thru	17,893,100	18,055,200	18,055,200	
Total	\$17,926,200	\$18,086,200	\$18,086,200	\$0

*Non-state funds as estimated by agency

Purpose

The Jail Contracting line item contains funding for Department of Corrections' contracts with local jails. Under the contracts, Corrections utilizes a specific number of beds in local government facilities in lieu of using state-owned facilities. Some counties have built facilities based on the revenue they anticipate from the State for Jail Contracting and Jail Reimbursement. The Department projects that it will contract for an average of 1,128 incarcerated offender beds in FY 2005. It will use an additional 40 beds for halfway out and halfway back offenders – those that are awaiting parole or are returning for parole violations.

As defined in 64-13c-101 UCA, each fiscal year, a new jail programs core rate is negotiated with the Utah Sheriff's Association, with input from local elected officials, the Commission on Criminal and Juvenile Justice (CCJJ) and the Governor's Office of Planning and Budget (GOPB). The rate is based on operating costs reported by the counties to Corrections for calendar year 2002. The rate was established by utilizing all expenses for the counties divided by all the inmates held in county jails. All 29 counties have participated in the process and have agreed on a rate of \$45.24 per inmate per day, to be effective on July 1, 2004.

*Core rate increase
would cost \$1.2
million in Contracting*

Last year, Corrections contracted with counties at a rate of \$42.32 per day. The new rate is \$2.92 per day higher than last year's contracted rate. The same core rate is used for both Jail Reimbursement and Jail Contracting. Additional medical and transportation rates are negotiated separately with each county. Funding for medical and transportation costs of Jail Contracting inmates is included in the Corrections Programs and Operations line item.

Corrections estimates that it will contract for 1,168 local beds per day in FY 2005. At that level, the annualized cost of the proposed core rate increase is \$1,244,900. Should the Legislature approve the proposed new core rate, the Analyst recommends the Executive Offices and Criminal Justice Appropriations Subcommittee put on its priorities list \$1,244,900 for Jail Contracting in FY 2005.

4.0 Additional Information: Jail Contracting

4.1 Funding History

	2001	2002	2003	2004	2005
Financing	Actual	Actual	Actual	Estimated*	Analyst
General Fund	17,193,200	17,181,000	18,086,200	18,086,200	18,086,200
Beginning Nonlapsing		10,200		160,000	160,000
Closing Nonlapsing	(10,200)	4,000	(160,000)	(160,000)	(160,000)
Total	\$17,183,000	\$17,195,200	\$17,926,200	\$18,086,200	\$18,086,200
Programs					
Jail Contracting	17,183,000	17,195,200	17,926,200	18,086,200	18,086,200
Total	\$17,183,000	\$17,195,200	\$17,926,200	\$18,086,200	\$18,086,200
Expenditures					
Current Expense	31,700	31,200	33,100	31,000	31,000
Other Charges/Pass Thru	17,151,300	17,164,000	17,893,100	18,055,200	18,055,200
Total	\$17,183,000	\$17,195,200	\$17,926,200	\$18,086,200	\$18,086,200

*Non-state funds as estimated by agency.